CITY OF DARTMOUTH

FINANCIAL STATEMENTS

DECEMBER 31, 1985

Doane Raymond

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CITY OF DARTMOUTH

NON-CONSOLIDATED

FINANCIAL STATEMENTS

DECEMBER 31, 1985

CITY OF DARTMOUTH

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CITY OF DARTMOUTH

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AUDITORS' REPORT

His Worship The Mayor and
Members of Council of the
Corporation of the City of Dartmouth

We have examined the Operating Fund and Capital Fund Balance Sheets of the Corporation of the City of Dartmouth as at December 31, 1985, and the related statements of operations and capital financing for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation of the City of Dartmouth as at December 31, 1985 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities applied on a basis consistent with that of the preceding year.

Doane Raymond

Dartmouth, Nova Scotia
February 20, 1986

Registered Municipal Auditor

CITY OF DARTMOUTH

GENERAL SECTION

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

REVENUE	Page	1985 Budget	1985 Actual	1984 Actual
Taxes	A-3	$45,011,100	$45,487,529	$42,909,330
Grants in lieu of taxes	A-3	3,838,300	3,650,651	3,711,305
Other revenue from own sources	A-3	5,567,500	5,491,731	5,322,946
Unconditional transfers from Province of Nova Scotia		2,074,900	2,074,932	2,651,091
Conditional transfers from other governments		9,283,300	9,469,567	8,803,903
Other transfers		2,431,300	2,480,326	2,515,171
Transfers from surplus				
- General operations		602,300	602,300	496,500
- Dartmouth District School Board			500,000	
		68,808,700	69,757,036	66,410,246
EXPENDITURE				
General government services		3,333,800	3,357,308	3,327,570
Protective services	A-4	12,337,500	12,230,627	11,461,530
Transportation and environmental health services		6,803,700	7,702,840	6,112,858
Public health and welfare services	A-4	10,587,700	11,055,677	9,519,723
Environmental development services		927,200	969,556	809,276
Recreation and cultural services		2,989,100	2,999,864	2,821,915
Other services		1,371,400	1,396,822	1,244,422
Fiscal services	A-4	30,458,300	30,831,644	29,629,220
		68,808,700	70,544,338	64,926,514
Excess (deficiency) of revenue over expenditure before other items (carried froward to Page A-2A)		$ Nil	$(787,302)	$ 1,483,732

CITY OF DARTMOUTH

GENERAL SECTION

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985 Budget	1985 Actual	1984 Actual
Excess (deficiency) of revenue over expenditure before other items (brought forward from Page A-2)	$ Nil	$(787,302)	$ 1,483,732
Prior years' assessment appeals (Note 4)		(260,000)	
Decrease (increase) in valuation allowance		(98,417)	814,895
		(358,417)	814,895
Excess of revenue over expenditure (expenditure over revenue)		(1,145,719)	2,298,627
	$ Nil		
Surplus, beginning of year		5,455,277	3,653,150
		4,309,558	5,951,777
Transfers to revenue			
- General operations		602,300	496,500
- Dartmouth District School Board		500,000	
		1,102,300	496,500
Surplus, end of year		$ 3,207,258	$ 5,455,277

CITY OF DARTMOUTH

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
Taxes			
Residential	$15,999,600	$15,994,999	$15,170,005
Commercial	26,844,000	27,290,389	25,641,341
Improvements	167,500	174,281	174,957
Deed transfer	2,000,000	2,027,860	1,923,027
	$45,011,100	$45,487,529	$42,909,330
Grants in lieu of taxes			
Government of Canada	$ 2,100,000	$ 1,900,000	$ 2,100,000
Canadian National Railways	161,700	161,676	168,327
Province of Nova Scotia	587,600	592,829	456,652
Nova Scotia Power Corporation	918,900	918,902	918,902
Nova Scotia Liquor Commission	70,100	77,244	67,424
	$ 3,838,300	$ 3,650,651	$ 3,711,305
Other revenue from own sources			
Licenses and permits	$ 353,000	$ 465,245	$ 358,862
Fines and fees	321,100	329,894	301,577
Rents and concessions	257,300	237,088	251,510
Parking	242,000	253,372	230,365
Interest	2,765,000	2,106,157	2,615,627
Recreation programs	645,500	643,991	550,690
Social services	890,000	1,201,773	909,954
Miscellaneous	93,600	254,211	104,361
	$ 5,567,500	$ 5,491,731	$ 5,322,946

CITY OF DARTMOUTH

GENERAL SECTION

SCHEDULES TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
Protective services			
Police protection	$ 6,400,800	$ 6,329,942	$ 5,857,881
Fire protection	5,936,700	5,900,685	5,603,649
	$12,337,500	$12,230,627	$11,461,530
Public health and welfare services			
General assistance	$ 5,480,300	$ 6,197,531	$ 5,132,534
Nursing homes	4,081,800	3,904,351	3,508,314
Other	1,025,600	953,795	878,875
	$10,587,700	$11,055,677	$ 9,519,723
Fiscal services			
Transfers to own funds			
Dartmouth Heritage Museum	$ 134,800	$ 134,300	$ 131,900
Dartmouth Regional Library	681,700	683,700	632,000
Dartmouth Sportsplex Commission	100,000	115,138	76,046
	916,500	933,138	839,946
Debt charges	13,146,800	12,988,783	13,197,189
Dartmouth District School Board	12,955,100	13,455,100	12,456,800
Conditional transfers to other governments and agencies	3,439,900	3,454,623	3,135,285
	$30,458,300	$30,831,644	$29,629,220

CITY OF DARTMOUTH

GENERAL SECTION

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Cash and temporary investments	$18,763,774	$20,961,066
Receivables (Note 2)	5,112,960	4,595,786
Inventories, at cost	445,918	469,819
Prepaid expenses	65,409	288,675
Contract performance deposits	10,266,443	11,220,508
	$34,654,504	$37,535,854
LIABILITIES		
Payables and accruals	$ 3,442,678	$ 3,347,546
Due to other funds	10,984,760	10,556,736
Due to Dartmouth District School Board	1,721,281	1,852,627
Other	91,063	186,810
Liability for service awards	551,410	228,946
Deferred revenue	1,139,105	1,467,960
Liability for deposits on contracts	10,322,943	11,220,508
	28,253,240	28,861,133
Asset valuation allowances		
For uncollected taxes	2,563,119	2,572,551
For other receivables	630,887	646,893
	3,194,006	3,219,444
EQUITY		
Surplus	3,207,258	5,455,277
	$34,654,504	$37,535,854

Contingencies (Note 4)

CITY OF DARTMOUTH

GENERAL SECTION

CAPITAL FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Receivables	$ 672,712	$ 929,281
Work in progress	4,944,834	2,677,750
Deferred charges	207,161	180,720
Fixed assets (Note 6)	131,540,436	126,164,894
	$137,365,143	$129,952,645
LIABILITIES		
Payables and accruals	$ 1,721,620	$ 904,888
Due to other funds - Industrial Park	268,146	304,151
- General Operating	6,067,509	3,031,014
Unmatured debenture debt (Page A-36)	31,241,875	34,540,863
Deferred revenue	349,244	589,210
	39,648,394	39,370,126
EQUITY		
Investment in capital assets (Page A-7)	97,716,749	90,582,519
	$137,365,143	$129,952,645

CITY OF DARTMOUTH

GENERAL SECTION

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$90,582,519	$82,292,659
Increase in equity of Metropolitan Authority assets	207,000	
Debenture debt retired	3,298,988	3,313,161
Other debt retired	102,163	102,163
Mortgage repayments		408,333
Grants on cost sharing projects	2,177,366	3,877,984
Other	1,128,303	592,983
Disposal of assets		(229,942)
Transfer from Special Reserve Fund	220,410	4,373,045
Transfer to Special Reserve Fund		(4,147,867)
Balance, end of year	$97,716,749	$90,582,519

CITY OF DARTMOUTH

INDUSTRIAL PARK

BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Receivables	$ 1,392	$ 63,688
Due from other funds - General Operating	9,359,109	7,546,785
- General Capital	268,146	304,151
Work in progress	1,793,557	34,447
Deferred charges	71,450	77,240
Land and development costs (Page A-9)	15,458,727	17,461,427
	$26,952,381	$25,487,738
LIABILITIES		
Payables and accruals	$ 662,426	$ 129,442
Sales options	143,140	53,029
Unmatured debenture debt (Page A-36)	8,359,896	9,341,539
	9,165,462	9,524,010
EQUITY		
Investment in capital assets (Page A-9)	17,786,919	15,963,728
	$26,952,381	$25,487,738

CITY OF DARTMOUTH

INDUSTRIAL PARK

LAND AND DEVELOPMENT COSTS

DECEMBER 31, 1985

	1985	1984
Accumulated costs	$36,174,433	$34,459,764
Total sales	20,715,706	16,998,337
Net cost	$15,458,727	$17,461,427

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$15,963,728	$14,217,956
Debenture debt retired	981,643	924,814
Interest earned	776,743	698,608
Other	64,805	122,350
Balance, end of year	$17,786,919	$15,963,728

CITY OF DARTMOUTH

DARTMOUTH SPORTSPLEX

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985 Budget	1985 Actual	1984 Actual
REVENUE			
Arena events	$ 293,000	$ 269,464	$ 292,453
Programs			
Aquatic	398,500	456,337	356,935
Fitness	313,500	323,619	329,127
Other	145,000	140,102	111,115
	1,150,000	1,189,522	1,089,630
EXPENDITURE			
Accounting services	16,400	16,400	15,800
Advertising	27,500	24,413	23,544
Consulting	1,000	2,506	1,535
Electricity	95,000	111,591	110,654
Fuel	110,000	92,247	76,894
Insurance	16,000	22,428	13,137
Legal and audit	4,500	6,151	4,270
Miscellaneous	5,500	2,100	3,615
Printing and stationery	8,400	6,960	6,441
Repairs and maintenance	26,000	24,936	23,304
Salaries and benefits	772,200	791,366	719,340
Security	36,000	35,714	34,426
Small tools and equipment	22,700	20,043	25,158
Supplies	40,200	35,340	40,620
Taxes	4,000	3,645	3,645
Telephone	15,900	11,524	9,879
Travel	5,000	4,960	4,032
Water	3,500	3,983	4,100
	1,209,800	1,216,307	1,120,394
	59,800	26,785	30,764
Capital from revenue	40,200	88,390	45,282
Excess of expenditure over revenue	100,000	115,175	76,046
Requisitions from City of Dartmouth	100,000	115,175	76,046
Excess of revenue over expenditure	$ Nil	$ Nil	$ Nil

CITY OF DARTMOUTH

DARTMOUTH SPORTSPLEX

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Cash	$121,699	$127,248
Receivables	35,313	23,868
Prepaid expenses	10,236	6,806
	$167,248	$157,922
LIABILITIES		
Payables and accruals	$ 56,146	$ 49,230
Due to General Operating Fund	42,950	38,387
Due to Sportsplex equipment and operating reserve fund	6,671	16,541
Unearned revenue	61,481	53,764
	$167,248	$157,922

CITY OF DARTMOUTH

WATER UTILITY

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
OPERATING REVENUE			
Domestic, commercial and industrial water	$3,294,200	$3,300,572	$3,197,834
Public fire protection			
City of Dartmouth	1,069,500	1,074,164	1,056,208
County of Halifax	490,500	500,463	489,994
Other	203,300	131,234	123,905
	5,057,500	5,006,433	4,867,941
OPERATING EXPENDITURE			
Source of supply	116,800	57,726	92,446
Pumping	563,400	601,073	595,244
Water treatment	214,900	135,867	136,209
Transmission and distribution	1,165,500	998,463	1,111,990
Administrative and general	593,000	598,537	582,439
Depreciation	309,100	326,795	317,454
Taxes	517,000	493,055	454,277
	3,479,700	3,211,516	3,290,059
Operating profit	1,577,800	1,794,917	1,577,882
Non-operating expenditure			
Debt charges	1,743,600	1,812,166	1,823,004
Less: Debt charges recoverable	551,700	551,525	572,390
	1,191,900	1,260,641	1,250,614
Excess of revenue over expenditure	$ 385,900	534,276	327,268
Surplus, beginning of year		1,207,629	880,361
Surplus, end of year		$1,741,905	$1,207,629

CITY OF DARTMOUTH

WATER UTILITY

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Receivables	$ 412,828	$ 443,075
Inventories, at cost	282,998	293,044
Due from other funds - Water Utility Capital	40,869	43,706
- General Operating	5,703,948	4,624,398
	$6,440,643	$5,404,223
LIABILITIES		
Payables and accruals	$ 133,670	$ 115,237
Customer deposits	95,335	90,815
Deferred revenue	83,391	90,178
Due to Water Utility Capital - Depreciation Funds	4,386,342	3,900,364
	4,698,738	4,196,594
EQUITY		
Surplus	1,741,905	1,207,629
	$6,440,643	$5,404,223

CITY OF DARTMOUTH

WATER UTILITY

CAPITAL FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Work in progress	$ 40,400	$ 30,392
Due from Water Utility Operating - Depreciation Fund (Note 8)	4,386,342	3,900,364
Deferred charges	87,285	115,123
Plant in service	33,807,271	33,005,856
	$38,321,298	$37,051,735
LIABILITIES		
Payables and accruals	$ 146,364	
Due to other funds - General Operating	1,073,383	$ 802,697
- Water Operating	40,869	43,706
Due to the County of Halifax	1,866,323	2,061,009
Unmatured debenture debt (Page A-36)	6,670,962	7,243,382
	9,797,901	10,150,794
Accumulated allowance for depreciation	4,417,401	4,090,606
EQUITY		
Investment in capital assets (Page A-15)	24,105,996	22,810,335
	$38,321,298	$37,051,735

CITY OF DARTMOUTH

WATER UTILITY

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$22,810,335	$19,949,617
Donated assets	13,307	1,675,505
Debenture debt retired	572,420	580,290
Other long term debt retired	169,685	177,960
Interest earned	428,020	406,801
Contributions in aid of construction	23,409	79,164
Retirement of unfunded projects	45,320	
Capital out of revenue	43,500	
Transfer from Special Reserve Fund		93,131
Transfer to Special Reserve Fund		(152,133)
Balance, end of year	$24,105,996	$22,810,335

CITY OF DARTMOUTH

SCHOOL BUS

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
REVENUE			
Bus charters	$372,500	$368,764	$359,243
Dartmouth District School Board	496,400	514,782	459,824
	868,900	883,546	819,067
EXPENDITURE			
Operations			
Fuel	69,100	69,830	68,720
Insurance	14,000	15,313	9,312
Repairs and maintenance	47,500	81,828	40,704
Salaries and benefits	532,100	533,335	489,363
Sundry	7,700	6,816	9,036
	670,400	707,122	617,135
Garage			
Heat, lights and water	18,400	18,900	15,662
Repairs and maintenance	10,500	2,457	2,476
	28,900	21,357	18,138
Administration			
Administration fee	15,400	15,400	14,800
Debt charges	153,000	138,341	167,887
Miscellaneous	1,200	1,326	1,107
	169,600	155,067	183,794
	868,900	883,546	819,067
Excess of revenue over expenditure	$ Nil	$ Nil	$ Nil

CITY OF DARTMOUTH

SCHOOL BUS

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Due from General Operating Fund	$26,297	$27,624
LIABILITIES		
Payables and accruals	$26,297	$27,624

CITY OF DARTMOUTH

SCHOOL BUS

CAPITAL FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Land, buildings and equipment	$ 929,999	$ 882,683
LIABILITIES		
Payables and accruals	$ 13,254	
Due to General Operating Fund	19,264	$ 14,155
Unmatured debenture debt (Page A-36)	246,400	291,600
	278,918	305,755
EQUITY		
Investment in capital assets	651,081	576,928
	$ 929,999	$ 882,683

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$ 576,928	$ 468,842
Loan repayment	45,585	65,035
Debenture debt retired	45,200	45,200
Retirement of school buses	(16,632)	
Transfer from Special Reserve Fund		120,137
Transfer to Special Reserve Fund		(122,286)
Balance, end of year	$ 651,081	$ 576,928

CITY OF DARTMOUTH

FERRY

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
REVENUE			
Grant - Province of Nova Scotia	$ 575,000	$ 575,000	$ 550,000
Fares	600,000	618,528	620,000
Rentals and miscellaneous	27,600	20,695	19,811
	1,202,600	1,214,223	1,189,811
EXPENDITURE			
Administration and operating			
Administration	16,500	17,657	36,318
Building operations - Halifax	132,900	113,382	128,984
Building operations - Dartmouth	139,600	164,275	140,029
Vessel operations	714,500	786,692	674,861
	1,003,500	1,082,006	980,192
Debt charges	20,100	20,110	21,250
	1,023,600	1,102,116	1,001,442
Excess of revenue over expenditure	$ 179,000	112,107	188,369
Surplus, beginning of year		311,234	122,865
Surplus, end of year		$ 423,341	$ 311,234

CITY OF DARTMOUTH

FERRY

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Receivables		$137,500
Due from General Operating Fund	$538,874	273,432
	$538,874	$410,932
LIABILITIES		
Payables and accruals	$ 95,533	$ 79,729
Deferred revenue	20,000	19,969
	115,533	99,698
EQUITY		
Surplus	423,341	311,234
	$538,874	$410,932

CITY OF DARTMOUTH

FERRY

CAPITAL FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Land, buildings and ferries	$7,959,280	$7,959,280
LIABILITIES		
Unmatured debenture debt (Page A-36)	$ 38,000	$ 54,000
EQUITY		
Investment in capital assets	7,921,280	7,905,280
	$7,959,280	$7,959,280

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$7,905,280	$7,874,381
Debenture debt retired	16,000	16,000
Transfer from Special Reserve Fund		14,899
Balance, end of year	$7,921,280	$7,905,280

CITY OF DARTMOUTH

DARTMOUTH REGIONAL LIBRARY

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
REVENUE	Budget	Actual	Actual
Grant - City of Dartmouth	$ 683,700	$ 683,700	$ 632,000
Grant - Province of Nova Scotia	541,500	542,357	507,181
	1,225,200	1,226,057	1,139,181
EXPENDITURE			
Administration	148,700	147,168	141,889
Adult services	326,400	329,740	308,219
Children services	264,300	263,718	245,467
Community services	67,200	69,812	56,781
Information services	213,900	219,185	200,799
Technical services	141,000	140,887	132,245
Headquarters accomodations	46,400	52,421	43,952
	1,207,900	1,222,931	1,129,352
Deductible income			
Rentals	3,700	3,481	3,774
Photocopies	23,000	23,312	22,597
Fines and fees	28,000	27,920	27,763
Other	13,000	13,288	12,519
	67,700	68,001	66,653
	1,140,200	1,154,930	1,062,699
Branch operations			
Main branch	23,400	21,285	22,722
Woodlawn branch	61,600	53,397	53,700
	85,000	74,682	76,422
Total expenditure	1,225,200	1,229,612	1,139,121
Excess of revenue over expenditure	$ Nil	(3,555)	60
Surplus, beginning of year		4,818	4,758
Surplus, end of year		$ 1,263	$ 4,818

CITY OF DARTMOUTH

DARTMOUTH REGIONAL LIBRARY

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Due from General Operating Fund	$130,136	$123,389
Due from Province of Nova Scotia	14,863	34,550
Receivables	2,650	1,924
Deferred expenditure	11,843	11,064
Prepaid expenses		2,472
	$159,492	$173,399
LIABILITIES		
Payables and accruals	$ 74,207	$ 72,140
Deferred revenue	84,022	96,441
	158,229	168,581
EQUITY		
Surplus	1,263	4,818
	$159,492	$173,399

CITY OF DARTMOUTH

DARTMOUTH REGIONAL LIBRARY

CAPITAL FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Bookmobiles	$ 48,893	$ 68,409
Automobile	7,954	7,954
Equipment	59,440	55,645
Building improvements	28,997	28,327
	$145,284	$160,335
EQUITY		
Investment in capital assets	$145,284	$160,335

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$160,335	$103,712
Disposal of bookmobile	(19,516)	
Transfers from special reserve fund	4,465	56,623
Balance, end of year	$145,284	$160,335

CITY OF DARTMOUTH

DARTMOUTH HERITAGE MUSEUM

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
REVENUE			
Grants - Province of Nova Scotia	$ 20,500	$ 19,700	$ 19,700
- City of Dartmouth	134,300	134,300	131,900
Miscellaneous	500	478	61
	155,300	154,478	151,661
EXPENDITURE			
Administrative and general			
Insurance	1,200	1,004	538
Maintenance and supplies	9,400	10,159	7,887
Salaries and benefits	95,000	87,193	80,694
Stationery, printing and office	5,500	3,487	3,609
Telephone	2,600	2,496	2,750
Travel and conferences	2,600	1,955	2,226
Utilities	6,300	6,188	5,569
	122,600	112,482	103,273
Museum			
Maintenance and improvements to displays and purchase of artifacts	13,900	13,021	13,270
Evergreen project	18,800	16,116	16,439
	155,300	141,619	132,982
Excess of revenue over expenditure	$ Nil	12,859	18,679
Surplus, beginning of year		19,771	1,092
Surplus, end of year		$ 32,630	$ 19,771

CITY OF DARTMOUTH

DARTMOUTH HERITAGE MUSEUM

OPERATING FUND BALANCE SHEET

DECEMBER 31, 1985

	1985	1984
ASSETS		
Due from General Operating Fund	$40,275	$34,908
LIABILITIES		
Payables and accruals	$ 7,645	$15,137
EQUITY		
Surplus	32,630	19,771
	$40,275	$34,908

CITY OF DARTMOUTH

SINKING FUND RESERVE BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Funds held by Municipal Finance Corporation	$1,170,306	$ 770,449
RESERVE		
Sinking fund reserve	$1,170,306	$ 770,449

STATEMENT OF SINKING FUND RESERVE

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$ 770,449	$ 435,568
Provision from operations	261,225	261,225
Interest earned	138,632	73,656
Balance, end of year	$1,170,306	$ 770,449
Unmatured debenture debt - sinking fund (Page A-36)	$6,707,500	$6,707,500

CITY OF DARTMOUTH

SPECIAL RESERVE FUNDS

CAPITAL RESERVE SECTION BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Investments		$ 4,000
Due from General Operating Fund	$2,144,969	1,621,745
Lyngby Project	67,367	224,032
	$2,212,336	$ 1,849,777
LIABILITIES		
Payables and accruals	$ 5,265	$ 52,851
RESERVE		
Reserve for future capital expenditure	2,207,071	1,796,926
	$2,212,336	$ 1,849,777

STATEMENT OF RESERVE FOR FUTURE CAPITAL EXPENDITURE

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$1,796,926	$ 1,574,189
Proceeds from sale of properties	367,298	42,502
Transfers from capital funds		4,422,287
Transfers to capital funds	(220,410)	(4,422,287)
Transfers from operating funds	28,307	
Investment income	147,004	156,672
Park fees	87,946	23,563
Balance, end of year	$2,207,071	$ 1,796,926

CITY OF DARTMOUTH

SPECIAL RESERVE FUNDS

EQUIPMENT AND OPERATING RESERVE SECTIONS

BALANCE SHEET

DECEMBER 31, 1985

	1985			
	Equipment Reserve	Operating Reserve	Total	1984 Total
ASSETS				
Investments				$ 946
Due from other funds	$ 20,926	$161,264	$182,190	161,460
	$ 20,926	$161,264	$182,190	$162,406
LIABILITIES				
Payables		$ 797	$ 797	$ 1,175
RESERVES				
Equipment and operating reserves	$ 20,926	160,467	181,393	161,231
	$ 20,926	$161,264	$182,190	$162,406

STATEMENT OF EQUIPMENT AND

OPERATING RESERVES

YEAR ENDED DECEMBER 31, 1985

	1985			
	Equipment Reserve	Operating Reserve	Total	1984 Total
Balance, beginning of year	$ 13,402	$147,829	$161,231	$563,100
Interest income	1,929	14,727	16,656	15,463
Provision from operations	5,100	2,376	7,476	9,019
Other contributions	495		495	21,131
	20,926	164,932	185,858	608,713
Equipment and other expenditures		4,465	4,465	64,149
Debt retirement				383,333
		4,465	4,465	447,482
Balance, end of year	$ 20,926	$160,467	$181,393	$161,231

CITY OF DARTMOUTH

TRUST FUNDS BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Investments		$56,037
Due from other funds	$62,068	
	$62,068	$56,037
RESERVE		
Trust funds reserve	$62,068	$56,037

STATEMENT OF TRUST FUNDS RESERVE

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	$56,037	$50,869
Interest earned	5,831	4,768
Contributions	200	400
Balance, end of year	$62,068	$56,037

CITY OF DARTMOUTH

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Accounting policies

The 1985 financial statements have been prepared to conform in all material respects to the accounting principles prescribed for Nova Scotia municipalities by the Department of Municipal Affairs and for Water Utilities by the Board of Commissioners of Public Utilities.

(a) Revenue recognition

Revenues are recorded on an accrual basis except as described below for the Water Utility.

Water Utility billings to residential and commercial customers are rendered quarterly and bi-monthly respectively on a cyclical basis. Revenue for any year contains four billings for all residential customers and six billings for all commercial customers without regard to the actual time period covered.

Deferred revenue relating to local improvements is recognized on a straight line basis over five years for curbs and sidewalks and over twenty years for sewer.

Interest earned on accumulated funds within capital or reserve funds is recorded as revenue of the capital or reserve account.

(b) Expenditure recognition

Expenditures are recorded on an accrual basis except as described below for long term debt. Outstanding purchase orders at the balance sheet date are accrued and recorded as payables.

Principal and interest payments relating to long term debt are recorded as an expenditure when paid.

(c) Property and equipment

Capital assets and projects in progress are recorded at cost. Interest incurred during construction on capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness are treated as additions to investment in capital assets, except as described below for the Water Utility.

Assistance towards the acquisition of fixed assets received after January 1, 1985 by the Water Utility is amortized to income on the same basis as the related fixed asset. Approval has been obtained from the Public Utilities Board to exempt the utility from adjusting for any assistance received prior to January 1, 1985.

CITY OF DARTMOUTH

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Accounting policies (Cont'd)

(d) Depreciation

Depreciation is not recorded on any fixed assets of the City except for the Water Utility. Depreciation of fixed assets is recorded in the Water Capital Fund calculated on a formula prescribed by the Public Utilities Board. Fixed assets donated to the water utility after January 1, 1985 are not depreciated. Approval has been obtained from the Public Utilities Board to continue recording depreciation on fixed assets donated prior to January 1, 1985.

The depreciation charge in the Water Operating Fund less amortization of deferred assistance is transferred to the Water Capital Fund. These funds are used to help fund replacement of existing plant and equipment, or subject to approval by the Public Utilities Board, to repay principal of capital debt. Interest earned on depreciation funds is recorded as revenue of the Water Capital Fund.

(e) Allocation of municipal costs to various funds

Where identifiable, costs incurred are charged directly to the related fund. Administration fees are paid by various funds, including the Water Utility, to the General Operating Fund to provide for general and administrative expenses.

Interest is calculated and recorded on monthly balances receivable by the General Operating Fund from other funds at the prevailing prime rate. Interest is calculated and recorded on monthly balances payable by the General Operating Fund to other funds at the prevailing prime rate less 2½ per cent except as noted below.

Interest is calculated and recorded on the Industrial Park funds and Water Utility depreciation funds at the prevailing prime rate. Interest is not paid on amounts due to the Ferry Operating Fund and Dartmouth Heritage Museum.

(f) Deferred charges

Discounts on debenture issues are recorded as a deferred charge and amortized to the related operating fund expenditure on a straight line basis over the life of the issue. Prior to 1980 debenture discounts were capitalized with the related capital projects.

CITY OF DARTMOUTH

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

2. Receivables - General Operating Fund

	1985	1984
Taxes (Note 3)	$ 2,563,119	$ 2,572,551
Improvements	178,262	205,461
Federal government and its agencies	308,900	116,220
Province of Nova Scotia and its agencies	1,116,423	576,861
Other	946,256	1,124,693
	$ 5,112,960	$ 4,595,786

3. Taxes receivable

	Current Year	Prior	Total
Balance, beginning of year		$ 2,572,551	$ 2,572,551
Current year tax levy	$43,285,388		43,285,388
	43,285,388	2,572,551	45,857,939
Collections and write-offs	41,323,752	1,971,068	43,294,820
Balance, end of year	$ 1,961,636	$ 601,483	$ 2,563,119

4. Contingencies

(a) The City has passed resolutions guaranteeing debenture issues of the Metropolitan Authority in the amount of $11,007,000. Other participating municipalities have passed similar resolutions. Debentures outstanding at December 31, 1985 amount to $8,079,000.

(b) As a result of a decision of the Supreme Court related to a 1983 commercial assessment, an adjustment of $129,000 has been recorded. In addition, these financial statements have been adjusted to reflect a further provision of $131,000 for 1984, and the current year's tax levy has also been reduced by $140,000.

There are also several unresolved assessment appeals related to large non-residential assessments. The amount of further adjustment, if any, is not determinable at this time and will depend on the outcome of legal proceedings. Any resulting adjustments will be accounted for in the year of settlement as an extraordinary item.

(c) The Federal grants in lieu of taxes have not been finalized for 1984 or 1985 and are under review for 1979 to 1983. The amount of the resulting adjustment, if any, is not determinable at this time and will be accounted for as an extraordinary item in the period of settlement.

CITY OF DARTMOUTH

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

5. Long term debt

Principal repayments, including sinking fund instalments, required during the next five years are as follows:

1986	$5,300,000	1989	$3,818,000
1987	5,455,000	1990	3,754,000
1988	4,608,000		

6. Fixed assets - General Capital Fund

	1985	1984
Land and buildings	$ 14,438,883	$ 14,071,890
Office equipment	367,927	367,927
Fire equipment	1,347,569	1,339,639
Police equipment	906,119	894,225
Street equipment	2,374,338	2,364,500
Permanent streets	28,280,981	25,296,314
Permanent sidewalks, curbs and gutters	7,140,428	6,626,528
Sewer system	20,654,737	20,006,703
Recreational equipment and facilities	4,247,737	3,837,887
CNR Woodside overpass	1,286,384	1,286,384
Library, museum and cemetery	266,908	183,150
Other	50,826	50,826
Incinerator	734,452	734,452
Urban Renewal	2,920,033	2,920,033
Downtown program	1,037,965	1,000,156
North End Improvement program	512,917	512,917
Neighbourhood improvement program	3,867,996	3,867,996
Waterfront development program	3,476,600	3,476,600
Equity in Metropolitan Authority assets	4,967,000	4,760,000
Land and buildings - schools (Note 7)	24,533,744	24,533,744
Land, building and equipment - Sportsplex	8,126,892	8,033,023
	$131,540,436	$126,164,894

7. Land and buildings - schools

On January 1, 1982 the Dartmouth District School Board was formed. All school buildings on hand at December 31, 1981 will remain assets of the City of Dartmouth but will be under the operational control of the Dartmouth District School Board until such time as the Board no longer requires the assets for school purposes. At that time, control will revert back to the City.

The long term debt outstanding on school capital assets at December 31, 1981 remains a debt of the City but an agreement has been signed with the Province of Nova Scotia whereby a grant will be paid annually to the City equal to 100% of the principal and interest costs related to the debt.

CITY OF DARTMOUTH

NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

8. Depreciation Fund

	1985	1984
Due from Water Utility Operating, beginning of year	$3,900,364	$3,176,109
Add: Depreciation	326,795	317,454
Interest	428,020	406,801
	4,655,179	3,900,364
Less: Capital expenditures	268,837	
Due from Water Utility Operating, end of year	$4,386,342	$3,900,364

9. Employees' retirement pension plan

The latest independent actuarial valuation on the employees' retirement pension plan was performed as of December 31, 1984. The result of this valuation, which was based on actuarial assumptions, indicates that the present value of the fund's assets and remaining special payments exceeds the present value of total accrued liabilities at December 31, 1984.

10. Comparative figures

Certain of the prior year's figures have been reclassified to conform with the financial statement presentation adopted for 1985.

CITY OF DARTMOUTH

STATEMENT OF UNMATURED DEBENTURE DEBT

YEAR ENDED DECEMBER 31, 1985

Municipal Finance Corporation		Canada Mortgage and Housing Corporation	Department of Regional and Economic Expansion	Other	Total
Serial	Sinking Fund				
$10,216,936	$ 3,273,500	$ 911,817	$1,666,686	$150,468	$27,042,907
860,782		88,684	128,707	10,914	2,625,587
9,356,154	3,273,500	823,133	1,537,979	139,554	24,417,320
2,038,000	475,000		1,072,956		7,497,956
128,000			68,401		673,401
1,910,000	475,000		1,004,555		6,824,555
2,890,000	389,000	247,006	1,174,648	245,728	7,243,382
173,000		6,725	70,900	8,795	572,420
2,717,000	389,000	240,281	1,103,748	236,933	6,670,962
					54,000
					16,000
					38,000
3,677,200	2,570,000	426,802	2,447,037		9,341,539
222,400		19,199	692,544		981,643
3,454,800	2,570,000	407,603	1,754,493		8,359,896
291,600					291,600
45,200					45,200
246,400					246,400
$17,684,354	$ 6,707,500	$ 1,471,017	$ 5,400,775	$376,487	$46,557,133

CITY OF DARTMOUTH

STATEMENT OF CAPITAL FINANCING

YEAR ENDED DECEMBER 31, 1985

SOURCE

Funds available from prior year		
Receivables	$ 992,969	
Due from other funds	11,751,300	$12,744,269
Capital grants and contributions from other governments		2,177,366
Recognition of increase in equity of Metropolitan Authority assets		207,000
Other capital contributions		1,466,392
Sale of land - Industrial Park		3,717,369
Interest income		1,213,392
Depreciation funds		326,795
Transfer from Special Reserve Funds		224,875
		22,077,458
Balance temporarily financed at end of year		
Payables	2,543,663	
Deferred revenue	492,384	
Due to other funds	7,469,171	10,505,218
		$32,582,676

APPLICATION

Balance temporarily financed at end of prior year		
Payables	$ 1,034,331	
Deferred revenue	642,239	
Due to other funds	4,195,723	$ 5,872,293
Capital asset acquisitions		12,022,682
Funds available for application		
Receivables	674,104	
Due from other funds	14,013,597	14,687,701
		$32,582,676

CITY OF DARTMOUTH

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

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AUDITORS' REPORT

His Worship the Mayor and
Members of the Council of the
Corporation of the City of Dartmouth

We have examined the consolidated balance sheet of the Corporation of the City of Dartmouth as at December 31, 1985, and the consolidated statements of operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation of the City of Dartmouth as at December 31, 1985, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities applied on a basis consistent with that of the preceding year.

Doane Raymond

Dartmouth, Nova Scotia
February 20, 1986

Registered Municipal Auditor

CITY OF DARTMOUTH

CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
REVENUE		
Taxes	$44,969,409	$42,423,727
Grants-in-lieu of taxes	3,650,651	3,711,305
Sales of services	7,134,755	6,800,275
Other revenue from own sources	5,491,731	5,353,763
Unconditional transfers from other governments	2,074,932	2,651,091
Conditional transfers from other governments	11,158,149	10,453,174
Transfers from surplus	1,102,300	496,500
	75,581,927	71,889,835
EXPENDITURE		
General government services	3,342,405	3,301,484
Protection	11,153,367	10,402,307
Transportation and environmental health	8,521,110	6,771,494
Public health and welfare services	11,055,677	9,519,723
Recreation and cultural services	4,348,841	4,111,485
Education	13,455,100	12,456,800
Water operating	2,333,768	2,471,982
Debt charges	13,587,002	13,722,364
Transfers to other governments and agencies	3,454,586	3,135,284
Other services	4,461,685	3,978,805
	75,713,541	69,871,728
Excess (deficiency) of revenue over expenditure before other items	(131,614)	2,018,107
Prior years' assessment appeals (Note 8)	(260,000)	
Decrease (increase) in valuation allowance	(98,417)	814,895
	(358,417)	814,895
Excess of revenue over expenditure (expenditure over revenue)	(490,031)	2,833,002
Surplus, beginning of year	6,998,728	4,662,226
	6,508,697	7,495,228
Transfers to revenue	1,102,300	496,500
Surplus, end of year	$ 5,406,397	$ 6,998,728

CITY OF DARTMOUTH

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 1985

ASSETS	1985	1984
Current		
Cash and temporary investments	$ 11,013,912	$ 15,404,745
Receivables		
Taxes	2,563,119	2,572,551
Other	3,511,337	3,457,286
Inventory, at cost	728,916	762,863
Prepaid expenses	75,645	297,953
	17,892,929	22,495,398
Long term receivables and restricted funds	9,158,060	6,663,480
Contract performance deposits	10,266,443	11,220,508
Deferred charges	377,739	384,147
Work in progress - capital projects	6,846,158	2,982,456
Property and equipment (Note 4)	185,423,596	181,543,869
	$229,964,925	$225,289,858
LIABILITIES		
Current		
Payables and accruals	$ 5,784,652	$ 5,841,536
Valuation allowances	3,194,006	3,219,444
Deferred revenue	1,743,914	2,334,065
Long term debt payable within one year	5,300,000	5,370,000
	16,022,572	16,765,045
Cost of capital projects not permanently funded		
Payables and accruals	2,692,068	1,160,727
Long term (Note 5)	43,123,456	48,162,391
Liability for service awards	511,410	254,728
Liability for deposits on contracts	10,322,943	11,220,508
	72,672,449	77,563,399
EQUITY		
Reserve funds (Note 6)	3,558,770	2,728,606
Investment in capital assets (Note 7)	148,327,309	137,999,125
Surplus	5,406,397	6,998,728
	157,292,476	147,726,459
	$229,964,925	$225,289,858

Contingencies (Note 8)

ON BEHALF OF THE CORPORATION
OF THE CITY OF DARTMOUTH

_____ Mayor

_____ City Administrator

CITY OF DARTMOUTH

CONSOLIDATED STATEMENT OF CHANGES

IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Working capital derived from		
Operations		
Excess of revenue over expenditure (expenditure over revenue)	$(490,031)	$ 2,833,002
Transfer from surplus	(1,102,300)	(496,500)
Interest earned and retained in capital and reserve funds	1,507,055	1,351,200
Term debt retired	5,231,684	5,632,956
Depreciation	326,795	317,454
Sinking fund payment	261,225	261,225
Decrease in deferred charges	6,408	36,190
	5,740,836	9,935,527
Sale of land - Industrial Park	3,717,369	2,474,866
Increase in liability for service awards	256,682	254,728
Increase in unfunded debt	1,531,341	
Capital grants	2,177,366	3,877,984
Other capital contributions	1,305,337	973,423
Donated assets	13,307	1,675,505
Other	548,022	94,587
Recognition of equity in Metropolitan Authority assets	207,000	
	15,497,260	19,286,620
Working capital applied to		
Property and equipment acquired	11,787,593	10,322,542
Reduction in long term debt	5,038,935	5,128,612
Decrease in unfunded debt		120,366
Increase in long term receivables and restricted funds	2,494,580	1,139,497
Debt retirement from reserve funds		383,333
Fixed assets written off	36,148	229,942
	19,357,256	17,324,292
Increase (decrease) in working capital	(3,859,996)	1,962,328
Working capital, beginning of year	5,730,353	3,768,025
Working capital, end of year	$ 1,870,357	$ 5,730,353

CITY OF DARTMOUTH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Accounting policies

(a) Principles and basis of consolidation

These financial statements are presented to provide the reader with an overview of the City of Dartmouth's total financial operations. It is recommended that for a detailed review and analysis, the reader refer to the separate financial statements for each of the various funds contained in Section A.

The principles of consolidation of the accounts of the Municipality have been prescribed by the Province of Nova Scotia and have been followed in all material aspects.

The consolidated financial statements include the accounts of all boards and commissions in which the City of Dartmouth has a 100% interest and as contained in Section A.

(b) Basis of accounting

The financial statements have been prepared using the modified accrual basis of accounting. Major revenue and expenditure items are recorded on the accrual basis except for principal and interest payments relating to long term debt which are recorded as an expenditure when paid. Outstanding purchase orders at the balance sheet date are accrued and recorded as payables.

(c) Property and equipment

Capital assets and projects in progress are recorded at cost. Interest incurred during construction on capital projects is capitalized. Interest is calculated at the prevailing prime rate for projects temporarily funded. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness are treated as additions to investment in capital assets, except as described below for the Water Utility.

Assistance towards the acquisition of fixed assets received after January 1, 1985 by the Water Utility is amortized to income on the same basis as the related fixed asset. Approval has been obtained from the Public Utilities Board to exempt the utility from adjusting for any assistance received prior to January 1, 1985.

CITY OF DARTMOUTH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Accounting policies (Cont'd)

(d) Depreciation

Depreciation is not recorded on any fixed assets of the City except for the Water Utility. Depreciation of fixed assets is recorded in the Water Capital Fund calculated on a formula prescribed by the Public Utilities Board. Fixed assets donated to the water utility after January 1, 1985 are not depreciated. Approval has been obtained from the Public Utilities Board to continue recording depreciation on fixed assets donated prior to January 1, 1985.

The depreciation charge in the Water Operating Fund less amortization of deferred assistance is transferred to the Water Capital Fund. These funds are used to help fund replacement of existing plant and equipment, or subject to approval by the Public Utilities Board, to repay principal of capital debt. Interest earned on depreciation funds is recorded as revenue of the Water Capital Fund.

(e) Deferred charges

Discounts on debenture issues are recorded as a deferred charge and amortized to the related operating fund expenditure on a straight line basis over the life of the issue. Prior to 1980 debenture discounts were capitalized with the related capital projects.

CITY OF DARTMOUTH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

2. Contributions to Non-Consolidated Boards and Commissions

The City of Dartmouth is required to finance the operations of various Boards and Commissions, along with the other Municipal Units in the County of Halifax to the extent of its participation based on assessment, usage or population formula.

In addition to any budgeted contributions, the Municipal Units share in the deficits or surpluses of these Boards based on their sharing percentages. A Municipal Unit's share of the deficit is to be paid in the next fiscal year while a surplus is to be taken into the next year's estimates.

- Dartmouth Housing Authority - 12½% Interest

During 1985, the City of Dartmouth contributed $252,000 to the Dartmouth Housing Authority to fund its current operations.

- Joint Expenditure Board

During 1985, the City of Dartmouth contributed $354,000 as its share of operations for joint expenditures.

- Metropolitan Authority

During 1985, the City of Dartmouth paid $2,679,000 to the Metropolitan Authority to assist in financing its operations. The Metropolitan Authority provides transit and other services.

3. Trust Funds

The Trust Funds being administered by the City of Dartmouth are not consolidated with the accounts of the City of Dartmouth. At December 31, 1985, the equity in Trust Funds under its trusteeship amounted to $62,000.

CITY OF DARTMOUTH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

4. Property and equipment

	1985	1984
Cost	$189,840,997	$185,634,475
Accumulated depreciation	4,417,401	4,090,606
Net book value	$185,423,596	$181,543,869
Industrial Park	$ 15,458,727	$ 17,461,427
General	131,540,436	126,164,894
Library	145,284	160,335
Water	33,807,271	33,005,856
Ferry	7,959,280	7,959,280
School Bus	929,999	882,683
	189,840,997	185,634,475
Accumulated depreciation	4,417,401	4,090,606
	$185,423,596	$181,543,869

5. Long term debt

	1985	1984
Unmatured debenture debt (Page A-36)	$ 46,557,133	$ 51,471,384
Due to the County of Halifax	1,866,323	2,061,007
	48,423,456	53,532,391
Less: Amount due within one year	5,300,000	5,370,000
	$ 43,123,456	$ 48,162,391

Principal repayments, including sinking fund instalments, required during the next five years are as follows:

1986	$5,300,000
1987	5,455,000
1988	4,608,000
1989	3,818,000
1990	3,754,000

All long term debt outstanding as at year end has been properly authorized by the Department of Municipal Affairs.

CITY OF DARTMOUTH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

6. Reserve Funds	1985	1984
Balance, beginning of year	$ 2,728,606	$ 2,572,857
Interest on investments	302,292	245,792
Proceeds from sale of properties	367,298	42,502
Provision from operations	35,783	9,019
Transfers from capital funds		4,422,286
Sinking fund payment	261,225	261,225
Other contributions	88,441	37,167
	1,055,039	5,017,991
	3,783,645	7,590,848
Transfers to capital funds	224,875	4,478,909
Debt retirement		383,333
	224,875	4,862,242
Balance, end of year	$ 3,558,770	$ 2,728,606
Allocation of Reserve Funds		
Capital Reserve Section	$ 2,207,071	$ 1,796,926
Equipment Reserve Section	20,926	13,402
Operating Reserve Section	160,467	147,829
Sinking Fund Reserve	1,170,306	770,449
	$ 3,558,770	$ 2,728,606

7. Investment in Capital Assets		
Balance, beginning of year	$137,999,125	$124,907,178
Donated assets	13,307	1,675,505
Assets written off	(36,148)	(229,942)
Term debt retired	5,231,684	5,632,956
Grants for capital purposes	2,177,366	3,877,984
Transfers from Special Reserve Funds	224,875	4,478,909
Transfers to Special Reserve Funds		(4,422,286)
Interest income	1,204,763	1,105,408
Other contributions	1,305,337	973,413
Equity in Metropolitan Authority assets	207,000	
Balance, end of year	$148,327,309	$137,999,125

CITY OF DARTMOUTH

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

8. Contingencies

(a) The City has passed resolutions guaranteeing debenture issues of the Metropolitan Authority in the amount of $11,007,000. Other participating municipalities have passed similar resolutions. Debentures outstanding at December 31, 1985 amount of $8,079,000.

(b) As a result of a decision of the Supreme Court related to a 1983 commercial assessment, an adjustment of $129,000 has been recorded. In addition, these financial statements have been adjusted to reflect a further provision of $131,000 for 1984, and the current year's tax levy has also been reduced by $140,000.

There are also several unresolved assessment appeals related to large non-residential assessments. The amount of further adjustment, if any, is not determinable at this time and will depend on the outcome of legal proceedings. Any resulting adjustments will be accounted for in the year of settlement as an extraordinary item.

(c) The Federal grants in lieu of taxes have not been finalized for 1984 or 1985 and are under review for 1979 to 1983. The amount of the resulting adjustment, if any, cannot be determined at this time and will be accounted for as an extraordinary item in the period of settlement.

9. Employees' retirement pension plan

The latest independent actuarial valuation on the employees' retirement pension plan was performed as of December 31, 1984. The result of this valuation, which was based on actuarial assumptions, indicates that the present value of the fund's assets and remaining special payments exceeds the present value of total accrued liabilities at December 31, 1984.

10. Comparative figures

Certain of the prior year's figures have been reclassified to conform with the financial statement presentation adopted for 1985.